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OCT 23 2002

October 23, 2002

**NOTICE OF EX PARTE  
PRESENTATION**

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW, Room TW B204  
Washington, DC 20554

Re: Federal-State Joint Board on Universal Service  
CC Docket Nos. 96-45, 98-171, 90-571, 92-237, 99-200,  
95-200.95-116, 98-170 and NSD File No. L-00-72

Dear Ms. Dortch

The **attached** written *Ex Parte* Presentation concerning the above-referenced proceeding **was** sent to the Honorable Michael K. Powell, by the undersigned on October 23, 2002, on behalf of Palmetto Rural Telephone Cooperative. In **accordance** with FCC Rule 1.1206(b)(1)<sup>1</sup>, this Notice of *Ex Parte* Presentation and a copy of the referenced *Ex Parte* Presentation are being filed **with** you electronically for inclusion in the public record. Should you have any **questions**, please contact me at 843-538-2020.

Sincerely,

**H.J. Daadrige III**  
General Manager

cc: Commissioner Kathleen Q. Abemathy  
Commissioner Michael Copps  
Commissioner Kevin Martin

cc: [unclear]  
cc: [unclear]

<sup>1</sup> 47 C.F.R. § 1.1206(b)(1).

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**EX PARTE PRESENTATION**

Honorable Michael K. Powell  
Chairman  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW, Room 8 B201  
Washington, DC 20554

**Re: Federal-State Joint Board on Universal Service,  
CC Docket Nos. 96-45, 98-171, 90-571, 92-237,  
99-200.95-200.95-1 16.98-170 and NSD File No. L-00-72;**

**Dear chairman** Powell:

I write to you on **behalf** of Palmetto **Rural** Telephone Cooperative to indicate support for the **interim** universal **service** contribution methodology proposed by the United **States** Telecom Association (**USTA**). Palmetto Rural Telephone Cooperative believes that adoption of the interim methodology will best ensure that sufficient universal support will continue to be available to eligible carriers. Palmetto Rural Telephone Cooperative urges the Federal Communications Commission (FCC) to continue to examine the creation of a long-term contribution methodology while the industry operates under the interim methodology.

The interim methodology should be based on **interstate** end-user revenues **as** a contribution base. The FCC should **use** a "collect and remit" system. Under **this** system carriers would remit payments based on the application of **the** USAC percentage to the **interstate retail revenues** actually collected. The FCC should **raise** the "**safe harbor**" contribution limit for wireless providers to **20-28** percent unless the wireless provider **can** determine its **actual** interstate retail revenue, and the **safe harbor** percentage should be applied to wireless providers on a company-wide **basis**. Competitive local exchange carriers (CLECs) should impute **an** amount **equal** to the subscriber line charge (SLC) assessed by the incumbent local exchange carrier (ILEC) in a CLEC's **service** area. CLECs should be provided with the **option** of reporting the **imputation** based **on** the **actual** SLC amount **assessed by** the **ILEC** or **an** amount equal to the nationwide SLC cap. All broadband and broadband service providers should contribute to universal **service** support on an equivalent basis. Finally, the FCC should impose a cap on the recovery of **administrative**, billing and overhead costs that contributors to universal service support programs **are** allowed to include in the universal service charge collected on customers' bills.

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Honorable Michael K. Powell  
**October 23, 2002**  
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The interim contribution methodology is not a substitute for the principles and long-term connection-based proposal presented by USTA in its comments and reply comments filed in this proceeding on April 22, 2002, and May 13, 2002, respectively. It is necessary, though, in order to allow the FCC more time to address the administrative and legal concerns related to the methodologies currently under review.

Sincerely,

A handwritten signature in black ink, appearing to read "H.J. Dandridge III", with a stylized flourish at the end.

**H.J. Dandridge III**  
**General Manager**

cc: Commissioner Kathleen Q. Abemathy  
Commissioner Michael Copps  
Commissioner Kevin Martin